



Director of
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CIA LATE ITEM

SYRIA-LEBANON: Military Withdrawal

Lebanese sources of the US Embassy in Beirut report this morning seeing Syrian military convoys forming as well as movement by a large number of Lebanese Army vehicles and soldiers. [REDACTED] believes that one Syrian brigade is preparing to leave the city and will probably be replaced by Lebanese Army forces. [REDACTED]

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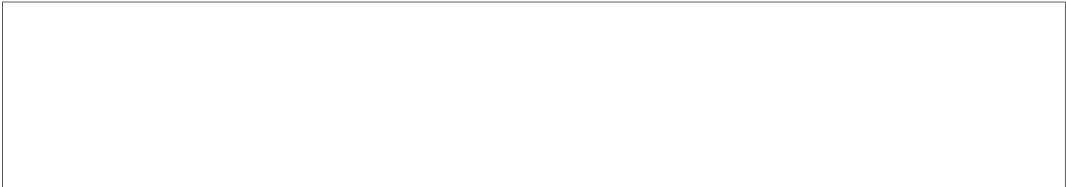
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SITUATION REPORT

IRAN

The decision of the militants at the US Embassy to turn the hostages over to the Revolutionary Council headed by President Bani-Sadr almost certainly reflected pressure from Ayatollah Khomeini. [redacted]

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Bani-Sadr returned from a provincial visit early yesterday to meet with Khomeini and his son Ahmad. The militants later were refused a similar audience with Khomeini. [redacted]

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The President probably attempted to persuade Khomeini that the militants' continued refusal to allow the UN Commission to meet the hostages was undercutting his efforts to resolve the crisis and his government's efforts to consolidate its power. Foreign Minister Ghotbzadeh's successful last-minute appeal to the Commission to stay in Tehran also suggests high-level intervention. [redacted]

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It is unclear how Khomeini's apparent backing of Bani-Sadr will affect the power struggle in Tehran. The militants' clerical supporters, especially Ayatollah Khomeini, probably will try to find some way to maintain their influence. [redacted]

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The captors' announcement indicates that they still oppose a meeting with the UN Commission and have decided only with reluctance to give up the hostages. Following the Council's meeting last night, a spokesman said that the Commission members will meet the hostages. Arrangements have not been completed for the turnover, and the militants could yet reverse themselves, especially if their clerical supporters organize demonstrations. We have long had reports, moreover, that some of the hostages are not in the Embassy. The fate of these is unclear. [redacted]

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BRIEFS AND COMMENTS

USSR: Economic Denial Measures

Over the past week we have confirmed new Soviet purchases totaling 3.5 million tons of grain, including 1.5 million tons of Argentine corn and sorghum and the previously reported Canadian grain sale. [redacted]

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The new transactions bring the total confirmed grain purchases since 4 January scheduled for delivery before the end of the grain purchasing year in October to about 4.8 million tons. This is half the amount that we estimate the Soviets eventually might be able to buy and import in this period. [redacted]

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French officials have confirmed the sale to the USSR of 150,000 tons of large-diameter pipe. They claim the sale supplements a contract that apparently was fulfilled in 1977 and that credits are therefore available under a 1975-to-1979 credit line. Although Japanese Prime Minister Ohira reportedly considers West European pipe sales a test of Western commitment to withhold credits for industrial goods, he is still holding in abeyance talks with the Soviets for a similar deal. [redacted]

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THAILAND: Prem's Foreign Policy

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Acting Foreign Minister Sitthi Sawetisla this week expressed displeasure over the UN's apparent unwillingness to support a Thai proposal for the establishment of "safe havens" for refugees along the Thai-Kampuchean border and warned that Thailand may be compelled to take a harder line.

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Prem is likely to take steps toward ending former Prime Minister Kriangsak's "open door" policy and may even use force to prevent new arrivals.

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We do not foresee any early major shift in Bangkok's approach to China and Vietnam

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While Prem probably intends to cooperate with Beijing in preventing Hanoi from consolidating its control over Kampuchea, he probably will be more cautious in dealing with the Chinese.

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Thailand probably will continue to support Pol Pot's Kampuchean resistance forces while working to build up former Kampuchean Prime Minister Son Sann's non-Communist resistance organization.

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Prem also may be receptive to a dialogue with Vietnam. He may take the opportunity to discuss the refugee issue and the general reduction of tension with Hanoi

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Prem, like Kriangsak, will be interested in proposals from other members of the Association of Southeast Asian Nations for a regional dialogue with Vietnam.

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TANZANIA-UGANDA: Security Concerns

Tanzanian President Nyerere's plan to withdraw at least half of his 20,000 troops from Uganda would remove the country's only effective security force and could further threaten the fragile Ugandan Government. [REDACTED]

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The troops will begin to withdraw this month, when some 5,000 Ugandans complete a training program. Nyerere recently threatened Ugandan President Binaisa with a withdrawal of all Tanzanian forces if factional disputes continue within the Ugandan leadership. Although Nyerere is upset with the situation in Uganda, he probably would not want to be responsible for the chaos that a quick and total troop withdrawal probably would cause. [REDACTED]

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The Tanzanian President apparently hoped his warning, which quickly became public knowledge, would influence the Ugandans to play down their differences. Binaisa's opponents, however, may be encouraged to take further action if they believe that he has lost Tanzanian support. [REDACTED]

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Binaisa has little backing among other Ugandan leaders and faces several rival factions. In addition, he fears that Nyerere wants to replace him with exiled former Ugandan President Obote, who shares Nyerere's socialist views. Binaisa is trying to patch up his differences with Nyerere in the absence of an effective force to replace the Tanzanians. [REDACTED]

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The Ugandan leader has appealed to the US for weapons to arm a personal security unit and for diplomatic support in arranging a Commonwealth force to replace the Tanzanian units. [REDACTED]

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[REDACTED]

[REDACTED] Some of the President's rivals favor closer ties with Moscow and Havana, but we have no evidence that they are pushing for Cuban troops.

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CHINA-VIETNAM: Talks Called Off

China yesterday formally called off the deadlocked second round of Sino-Vietnamese negotiations and suggested that the talks resume in Hanoi during the latter half of the year. The Chinese apparently have concluded that the talks are no longer useful; the last session was held in mid-December, and the next had been expected in January. Meanwhile, a knowledgeable Chinese Foreign Ministry official reports that the situation along the Sino-Vietnamese border remains static. Occasional border violations continue, but there has been no increase in the tempo or scale of such incidents.

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SPECIAL ANALYSES

RHODESIA: The Outlook for Mugabe's Government

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Victorious Zimbabwe African National Union leader Robert Mugabe has begun consolidating his grip on power by adopting a conciliatory stance toward old foes and those with the power to undermine him--the Rhodesian security forces, South Africa, Joshua Nkomo, and the whites. He has asked the British to stay long enough to ensure a smooth transition to independence. We expect Mugabe to continue moving cautiously--a course of action that gives him the best chance of success.

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With Mugabe's approval, the British have set the stage for a slower departure. Lord Soames has suggested more time for the steps that must be taken before independence--the selection of the Senate and the President. The British now expect independence to be formally declared late this month or early next but have said that Mugabe will decide the actual date.

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Mugabe first must select a cabinet. Although his party's majority enables him to govern alone, Mugabe has asked Nkomo's Zimbabwe African People's Union to join a coalition and has informed Soames of his intention to include at least two white ministers, presumably from former Prime Minister Ian Smith's party. Nkomo reportedly had agreed to accept the largely ceremonial role of President.

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The most difficult problem confronting the new government will be integration into one army of the various armed groups--the white-led security forces, including auxiliaries who favored defeated ex-Prime Minister Muzorewa; Nkomo's forces; and the ZANU guerrillas. Stability could hinge on this effort. Mugabe has in the past implied that the ZANU guerrillas would provide the core of the new army, but he probably recognizes the political necessity of including the other forces.

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Mugabe reportedly has asked Rhodesian security forces commander General Walls to be in charge of the integration effort. The new Zimbabwe cannot afford a large army, and many soldiers and guerrillas will have to be returned to civilian life--a time-consuming and difficult program. [REDACTED]

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A Cautious Approach

Because of the potential for instability, we expect Mugabe to move cautiously in implementing ZANU's version of African socialism. He has said he has no plans for nationalizing the country's industry or mines. State participation probably will increase, however, in wholly owned foreign mining operations; the government already runs the major utilities. [REDACTED]

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Mugabe wants to avoid a white exodus because he realizes the white residents' skills will continue to be useful in running the economy and the civil service. He also has promised not to interfere with the large export-oriented estates of the country's roughly 5,000 white commercial farmers as long as they are efficiently run. [REDACTED]

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Mugabe is committed, however, to redistributing to black farmers the vast holdings of absentee landlords like Lord Salisbury and unused or underused white-owned land. The owners presumably will be compensated by funds provided at least in part by foreign donors, including the UK and US. [REDACTED]

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A Nonaligned Foreign Policy

The new government can be expected to pursue a nonaligned foreign policy not unlike that of Mozambique or Tanzania. Zimbabwe probably will look first to the West, particularly the UK and US, for economic aid. It is likely to seek Western military assistance and in time probably will also seek it from China, the USSR, and Eastern Europe. [REDACTED]

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Mugabe has never been close to the Soviets. He probably will be cautious about relations with the Soviets and their allies for fear of offending the Chinese and of upsetting Zimbabwean whites and South Africa.

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The Soviets had favored Nkomo and now find themselves playing catch-up politics. They are now seeking to make the best of the election results and will try to use past ties with Nkomo to gain leverage in the new government.

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South Africa's Role

Zimbabwe's key foreign policy problem will be its relationship with South Africa. With the economies of southern Africa tied by a road and rail net, Zimbabwe will need an accommodation of some sort with Pretoria. Mugabe has publicly sketched the broad terms of an accommodation--similar to the one between Mozambique and South Africa--centered on a mutual noninterference pledge.

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Mugabe probably will not want to receive the substantial subsidy South Africa has provided Rhodesia. The South Africans would see some advantage in continuing the payments, but Mugabe is likely to be wary of any relationship that makes him vulnerable to charges of selling out to the white establishment.

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Since the extent of South Africa's financial support to Salisbury has never been fully revealed, however, Mugabe and South African Prime Minister Botha probably will carefully weigh the advantages each would derive from maintaining the pattern, if not the scope, of discreet financial arrangements. Mugabe may at least want to avoid a cutoff until he has lined up other foreign financing. From Pretoria's standpoint, some government-to-government covert financing would give it leverage over Mugabe and help maintain the government services that might encourage Rhodesian whites to remain.

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The Longer Term

Mugabe will inevitably come under pressure from within his own party to make more rapid and radical changes. Political firebrands in ZANU like Secretary General Edgar Tekere and Health Secretary Herbert Ushewokunze probably would prefer a more radical social program and perhaps a less conciliatory approach toward the whites. They are not in a position to challenge Mugabe's leadership, however--a leadership made more secure than ever by ZANU's spectacular electoral victory. [REDACTED]

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Barring a highly unsettling development such as Mugabe's assassination, Mugabe's present conciliatory policies could well give him time to consolidate his position and to begin a gradual transition to socialism. If he fails to keep Nkomo and General Walls on board, however, his chances for success will diminish. [REDACTED]

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NORTH YEMEN - USSR: Soviet Gains

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North Yemeni President Salih's attempts to maneuver among conflicting pressures have led to increased Soviet influence in North Yemen. Frustrated with Saudi Arabia's control over the supply of US weapons, Salih last summer signed a major arms deal with the USSR. In addition, more Soviet military personnel apparently have arrived in North Yemen, and a substantial number of North Yemenis recently have gone to the USSR for military training. Although Salih is now trying to balance these moves with new overtures to Saudi Arabia--his primary source of financial support--the USSR's gains are still intact.

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Soviet equipment continues to arrive in North Yemen. Last month the Soviets delivered 10 SU-7, SU-20, or SU-22 fighter-bombers, 20 T-55 tanks, 10 BRDM-2 armored reconnaissance vehicles, some antiaircraft artillery, and approximately 50 metric tons of small arms ammunition.

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The fighter-bombers and the armored vehicles are new items for the North Yemenis. [redacted] was on hand to watch part of the unloading of the first shipment of fighter-bombers on 24 February.

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The arrival of the equipment reportedly has already resulted in an increase of Soviet technicians in North Yemen.

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The latest aircraft deliveries probably will require additional technicians. Even if Salih does not agree to accept them, he is not likely to reduce significantly the number of those already present.

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Growing Leftist Influence

The Soviets also have benefited indirectly over the past year by the fact that leftists have replaced pro-Saudi officials and advisers in the government. These individuals, who include Foreign Minister Makki and key military advisers, are in a position to mute any attempt by Salih to again alter the balance between political forces in North Yemen.

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Makki was the major force behind North Yemen's abstention in the UN vote condemning the Soviet invasion of Afghanistan. North Yemen later went along with the condemnation of the USSR at the Islamic Conference, but Sana only sent a low-level delegation to Islamabad.

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As a result of his maneuvering, Salih risks losing control over events. While the President may be sincere in asserting that he has had to negotiate over unity with Marxist South Yemen to gain time while rebuilding his military, he probably will be faced with an agreed draft joint constitution in the next few months.

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Prospects

The Yemens take on greater importance for both super-powers following the invasion of Afghanistan and the resulting environment, with its increased potential for

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US-Soviet military confrontation in the Red Sea - Persian Gulf area. The USSR is likely to exploit and encourage Sana's leftward shift, hoping in the process to counter efforts by the US to obtain bases in the region and to promote the general erosion of Western influence on the Arabian peninsula. [REDACTED]

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Although, in the past, Moscow has sought to discourage South Yemen from military aggression, there remains the danger that the USSR will encourage increasing subversion and limited military action by South Yemen--and the National Democratic Front it sponsors--if the negotiations between North and South Yemen fail to achieve the results Aden and Moscow want. [REDACTED]

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A unified and Soviet-backed Yemen would be larger in population than Saudi Arabia and a potential military challenger. Riyadh would almost certainly look upon the 500,000 Yemeni workers now in Saudi Arabia as a security problem. This would heighten Saudi concern for the growing Soviet role in the region and reinforce Riyadh's sense of vulnerability and encirclement. [REDACTED]

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